



Child Care Market Analysis & Strategic Plan for Child Care Storm Lake, Iowa

Key Findings from the Child Care Market Analysis

Finding 1: Families with All Parents in the Labor Force is Declining

According to the US Census Bureau as of 2011, 86% of families with children ages 0 to 5, and 81% of families with children ages 6 to 17 living in the Storm Lake area had all parents in the labor force. By 2021, those percentages were 52% and 70%, respectively.

Finding 2: Parents Want Regulated Child Care that is Available Full-Time and Year-Round

Through a survey conducted as part of this study, 88% of parents indicated they prefer a child care setting that is regulated by Iowa Department of Health and Human Services (HHS)—either a licensed center or a registered child development home. Parents also indicated they want to use child care between 7:00 am and 5:59 pm, Monday through Friday, and year-round.

Finding 3: Parents are Concerned with the Quality of Some Child Care Options

Parents were asked to rate the quality of child care in Storm Lake on scale of 1 to 5, with 1 being low quality and 5 being high quality. The weighted average was 2.78 among current parents, and 1.94 among future parents. Comments made references to providers that are not regulated, providers having too many children at one time, and concerns about safety and cleanliness.

Finding 4: There is a Shortage of Child Care Spaces Among All Age Groups

In the Storm Lake area there are 2,301 children ages 0 to 11. First Children's Finance estimate 1,251 of those come from families that prefer and would likely use regulated child care. According to Iowa HHS, there are 304 regulated child care spaces, of which only 32 are available year-round.

Finding 5: Parents Indicate Child Care Challenges are Affecting Their Job

The top adverse effects experienced by parents when it comes to child care challenges and their job are: missed a day of work because the provider did not have room or space (79%), had to leave work early (75%), and arrived late to work (53%).

Finding 6: Child Care Challenges are Limiting Employment for Nearly One-Half of Parents

Through a recent survey 46% of parents indicated child care challenges are limiting their or their spouse's or partner's employment, such as working part-time when full-time is preferred, or not working within their preferred field.

About this Project

For working parents, choosing child care may be one of the most critical decisions they make.

According to longitudinal research, the child care environment will have lasting effects on their child. When there are not enough spaces in a community, finding any care is a challenge; and options for quality child care that meets the needs and preferences of families can be even more challenging.

In 2023, City of Storm Lake commissioned this study to better understand the supply and demand for child care and to gain insight to challenges experienced by parents in the Storm Lake area. After that, a series of strategic planning sessions were held to develop goals and strategies to address the challenges identified through the child care market analysis.

This document is a summary of two reports, *Child Care Market Analysis* and *Strategic Plan for Child Care*.



Child Care Market Analysis & Strategic Plan for Child Care Summary Storm Lake, Iowa

Finding 7: Employers Indicate Employees are Missing Work Due to Child Care Challenges

Through a survey conducted as part of this study, 100% of employers indicated they had employees leave work early due to child care challenges, while 93% had employees arrive late, and 80% had employees miss a day of work because the employee's child care provider was closed, on vacation, or not available.

Finding 8: Child Care Providers Indicate They are Not Utilizing Opportunities that May Improve Business Operations

Through the State of Iowa there are currently multiple opportunities for licensed centers, registered child development homes, and some non-registered homes that are intended to improve business operations and potentially supplement a child care provider's income. Out of 5 specific opportunities that would provide income to the child care program or the staff or that would reduce operating costs, no more than 2 of the 5 providers that completed the survey are utilizing any one of the respective opportunities.

Goal and Strategies from the Strategic Plan for Child Care

GOAL 1- Engage local employers and other community partners in child care solutions.

- Strategy 1- Establish the Storm Lake Child Care Steering Committee to implement the strategic plan.
- Strategy 2- Inform employers and other community partners about recent child care efforts, including the *Child Care Market Analysis* to begin engagement and support the implementation of the *Strategic Plan for Child Care*.
- Strategy 3- Provide resources and information about child care, child care related employee benefits, child care partnerships, and employer sponsored child care models to local employers.
- Strategy 4- Provide parents access to information that will assist them in understanding, identifying, and choosing child care.

GOAL 2- Increase the number of regulated child care spaces available year-round in Storm Lake, from 32 to at least 198 spaces by 2029.

- Strategy 1- Increase the number of spaces within Iowa Department of Health and Human Services (HHS) registered child development homes in Storm Lake.
- Strategy 2- Establish a new Iowa Department of Health and Human Services (HHS) licensed child care center to serve a minimum of 150 children.
- Strategy 3- Approach local schools with spaces already licensed by Iowa Department of Health and Human Services (HHS) to determine the feasibility of utilizing those spaces year-round.
- Strategy 4- Establish a peer networking group for home-based child care providers.
- Strategy 5- Promote existing classes for middle school and high school students that will care for children by babysitting or nannying, and for children that may be staying home alone.

First Children's Finance, a national nonprofit organization, believes access to quality early care and education is essential for all communities, and that early care and education is the foundation of individual success and the engine of regional economic growth. First Children's Finance provides financing, training, and business-development assistance to child care businesses. First Children's Finance also provides consulting and planning assistance to government agencies, intermediaries, and regional child care organizations. For more information on these and other topics, contact InfoIA@FirstChildrensFinance.org.